

## **Electronic Health Networks**

#### **Overview**

An electronic health network (EHN) (also referred to as a clearinghouse, network, or trading partner) functions as an intermediary between a health care provider's financial management system and payor (also referred to as a health plan or insurance company). EHNs facilitate the electronic exchange of claims-related information, reducing the need for mail, fax, and telephone. EHN services include verifying the accuracy of claims submitted, reporting on errors identified during the data cleaning process, and formatting transactions to align with national standards. State regulation (COMAR 10.25.07.01) requires payors to accept electronic health care transactions originating in Maryland from EHNs certified by the Maryland Health Care Commission (MHCC).<sup>1</sup>

### **Transaction Types and Standards**

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) established national standards for the following electronic health care transactions:

- Claims and encounter information
- Payment and remittance advice
- Claim status
- Eligibility

- Enrollment and disenrollment
- Referrals and authorizations
- Coordination of Benefits
- Premium payment

These transactions aim to improve efficiencies in health care through widespread use of electronic data interchange (EDI). EDI is computer-to-computer exchange of information in a standardized format. HIPAA-covered entities like EHNs that conduct electronic transactions must use an adopted standard from ASC X12N or NCPDP.<sup>2</sup>

#### **Benefits**

Electronic transactions increase efficiencies in operations, improve quality and accuracy of information, and reduce overall costs to the system. EHNs play a key role in making sure claims conform to standards required by HIPAA. Value add functions of an EHN include:

- Identifies errors (claims scrubbing), reducing rejected claims
- Verifies compatibility with payor software
- Batch submission of claims to a payor
- More timely reimbursement
- Single location to manage all claims for multiple payors

### **MHCC Certification**

Certification requires EHNs to meet national standards for privacy and confidentiality, business practices, physical and human resources, technical performance, and security. EHNs must achieve accreditation or certification from a national organization recognized by MHCC.<sup>3</sup> As part of this



<sup>&</sup>lt;sup>1</sup> More information at: <a href="mailto:mhcc.maryland.gov/mhcc/pages/hit/hit\_ehn/hit\_ehn.aspx">mhcc.maryland.gov/mhcc/pages/hit/hit\_ehn/hit\_ehn.aspx</a>.

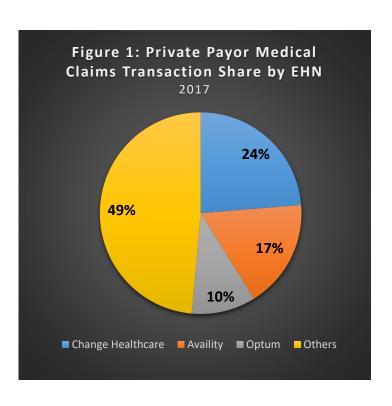
 $<sup>{}^2\,\</sup>text{More information at:} \ \ \overline{\text{www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/HIPAA-ACA/AdoptedStandardsandOperatingRules.html.}$ 

<sup>&</sup>lt;sup>3</sup> National organizations currently recognized by MHCC include: The Electronic Healthcare Network Accreditation Commission (EHNAC) and The Health Information Trust Alliance (HITRUST).



process, MHCC reviews EHNs site audit report and recommends areas where enhancements would help reduce risks of a data breach. As of September 2018, 35 EHNs are certified to operate in the State (Table 1). Change Healthcare, Availity LLC, and Optum process approximately 51 percent of electronic health care transactions in Maryland (Figure 1).

MHCC Certified EHNs	
Ability Network, Inc.	nThrive
ACS EDI Gateway, Inc.	Office Ally, Inc.
Allscripts Healthcare LLC	Optum
Availity, LLC	Optum 360
Carestream Dental, LLC	PNC Bank
Cerner Corporation	PNT Data
Change Healthcare	Quadax
Cyfluent, Inc.	QS/1 Data Systems
Dorado Systems, LLC	Relay Health
Dentalxchange	Smart Data Solutions, LLC
eRx Network	SSI Claimsnet, LLC
Experian Health	SSI Group, Inc.
Eyefinity, Inc.	Surescripts
GE Healthcare Integrated IT Solutions	Tesia Clearinghouse, LLC
inMediata Corp	Transunion Healthcare, LLC
InstaMed Communications,	Trizetto Provider Solutions,
LLC	LLC
Nanthealth, Inc.	Zirmed, Inc.
Navicure, Inc.	
For more information, visit:  mhcc.maryland.gov/mhcc/Pages/hit/hit_ehn/hit_ehn_certified.aspx	



# **EHNs Claims Processing Workflow**

The following illustrates the role of EHNs in the claims processing workflow:

